

Perspectives

FOR RETIRED
MEMBERS
OF THE
NORTH DAKOTA
PUBLIC
EMPLOYEES
RETIREMENT
SYSTEM

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In this issue...

- **Medora Seminar**
- **Medicare Blue Rx Drug Alternatives**
- **NDPERS Dental and Long Term Care Plan Requests for Proposals**
- **What's on the Web?**
- **Summary of Primary Legislative Proposals**



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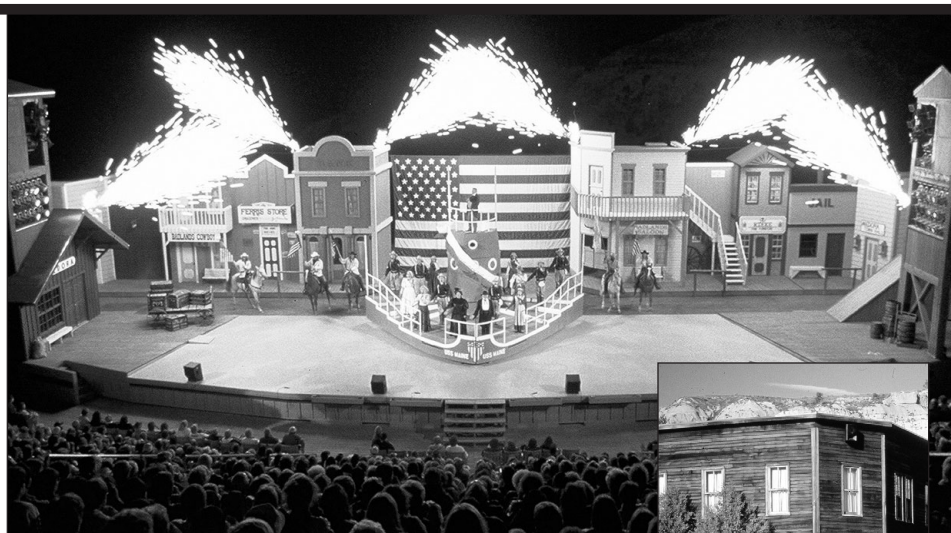
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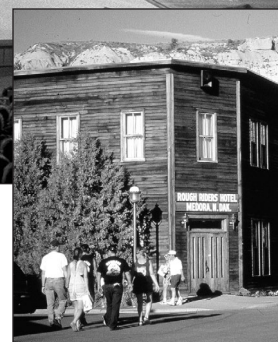
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Medora Retiree Seminar Scheduled



The North Dakota Public Employees Retirement System has scheduled a “Retiree Seminar” for **Tuesday, August 15, 2006, in Medora, North Dakota**

If you are a golfer, Bully Pulpit will be available on August 16.

A full day of information will be presented on August 15. Participants will gain a better understanding of Medicare Part D and Blue Cross Blue Shield’s Medicare Blue Rx plan. You will learn about the upcoming legislation affecting PERS retirees. You can attend a session with the Senior Health Insurance Counseling program (State Insurance Department) or hear from an attorney about living wills, estate planning, and durable medical power of attorney, plus much more.

Registration information will be sent to your home address at a later date and will be available on the NDPERS website.

*It's your day to learn and enjoy historic Medora.
We look forward to seeing you in August!*

Medicare BlueSM Rx Drug Alternatives

On January 1, 2006 the Medicare Blue Rx plan was implemented as the Medicare D prescription plan alternative for eligible NDPERS members. The following presents a brief overview of some common prescription drugs and their generic and/or preferred brand alternatives under the

Medicare Blue Rx 3-Level Formulary. The information in this document is subject to change and should not be used to determine whether your prescription drug expenses will be paid. The written Evidence of Coverage governs the benefits available.

...continued inside

As part of its fiduciary responsibility, the Board will be putting the following services out for bid:

NDPERS Group Dental

Last fall ING, our current dental plan carrier, notified the PERS Board that it is discontinuing its dental business and will no longer be providing dental plan coverage after December of 2006. Therefore, it will be necessary for us to send out a Request for Proposals (RFP) for our dental plan. A RFP will be sent out in May. The deadline for submitting proposals is July 6, 2006. The bids will be evaluated by our consultant, Gallagher Benefit Services and we expect to award the contract by September. Coverage will be effective January 1, 2007.

NDPERS Group Long Term Care Plan

Our current contract with UNUM/Provident has been in effect since 1997. A Request for Proposals will be sent out in May. The deadline for submitting proposals is July 6, 2006. The bids will be evaluated by our consultant, Gallagher Benefit Services and we expect to award the contract by September and coverage will be effective January 1, 2007.

Medicare BlueSM Rx Drug Alternatives

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Medicare Blue Rx 3-Level Formulary is structured as follows:

Level 1	Formulary Generics
Level 2	Formulary Preferred Brands
Level 3	Formulary Brands

The commonly used drugs listed in the table on page 3 would be covered at the Level 3 of the Medicare Blue Rx Formulary but were previously covered as formulary at Level 2 for Blue Cross Blue Shield of ND (BCBSND) members. For each of these drugs, there are clinically equivalent generic or alternative brand products on Levels 1 & 2 of the Medicare Blue Rx Formulary. The Medicare Blue Rx Formulary was reviewed and approved by the Pharmacy & Therapeutics Committee. Most members of this committee are practicing physicians or pharmacists.

Please note that CMS (the part of the federal government that manages Medicare) excludes several classes of drugs from the Medicare Part D program. Some of these excluded classes are non-prescription drugs, drugs used for cosmetic purposes or hair growth, prescription vitamins and minerals (except for prenatal vitamins and fluoride preparations), drugs used for relief of cough and cold symptoms, drugs used for weight gain or weight loss, and drugs used to promote fertility. All drugs in the benzodiazepine and barbiturate

classes are excluded; examples of these include Valium and phenobarbital. Any drug that can be covered by part B, based on the way it was prescribed, also cannot be covered under Medicare Part D.

Key observations for the table on the facing page:

- The information in this document is subject to change and is current as of March 8, 2006. Medicare Blue Rx may add or remove drugs from the formulary during the year. To get updated information about the drugs covered by Medicare Blue Rx, please visit the Website at www.YourMedicareSolutions.com or call Customer Service at 1-877-838-3827, 7 a.m. to 7 p.m. Central Time and 6 a.m. to 6 p.m. Mountain Time Monday through Friday. TTY/TDD users should call 1-800-693-3816.
- Many of the drugs on this list are medications with short treatment duration (most of which involve a one-time treatment); therefore, physicians can quickly switch to Level 1 or Level 2 medications.
- Members taking these medications may (a) ask their doctor to switch to another medication on a lower level, (b) continue with their current medications by paying a Level 3 cost share, or (c) ask to make an exception (generally, your request for an exception will only be approved if there is a medical reason for it).

If You Plan to Visit The NDPERS Office...

Please make an appointment for counseling services if you want to meet with a PERS staff member to discuss your retirement options or any of the benefit programs administered by this office. Although staff will accommodate walk-ins when possible, an appointment will ensure that someone is available to assist you at the time you arrive. An appointment also allows staff to prepare the appropriate benefit information to respond to your individual needs and to ensure that the time spent is productive.

Drug Name (Covered on Level 3 of MedicareBlue Rx formulary)	Generic Alternatives (Level 1 of MedicareBlue Rx formulary)	Preferred Brand Alternatives (Level 2 of MedicareBlue Rx formulary)
ACCOLATE	*	SINGULAIR
ACIPHEX	omeprazole	NEXIUM, PROTONIX
AGGRENOX	anagrelide, cilostazol, dipyridamole, ticlopidine	PLAVIX
ALPHAGAN P	brimonidine tartrate	*
AZMACORT	*	FLOVENT, FLOVENT HFA, FLOVENT ROTADISK, QVAR
CATAPRES-TTS-3	clonidine, guanfacine, methyl dopa	*
CEFZIL*	cefuroxime, cefaclor, cefprozil	CEFTIN
CIPRODEX*	antibiotic ear, aurobiotic-hc, cortomycin, neomycin/polymyxin/hc, oticin hc, otimar	*
DIFFERIN*	tretinoin, amnesteem, avita, benzagel wash, benzoyl peroxide 5/10, desquam-e, ethexderm ethexderm bpw-5, metronidazole, panoxyl, panoxyl aq, seba- gel, sotret,	METROGEL, METROLOTION
DILANTIN	phenytoin suspension, phenytoin extended cap, phenytoin prompt cap	
DITROPAN XL	flavoxate, oxybutynin	DETROL, DETROL LA, VESICARE
ESTROGEL	estradiol	ESTRADERM, PREMARIN, VIVELLE, VIVELLE-DOT
HUMULIN	*	NOVOLIN INSULINS
INDERAL LA	acebutolol, atenolol, betaxolol, bisoprolol, labetolol, metoprolol, nadolol, pindolol, propranolol, sotalol, timolol	TOPROL XL
LEVAQUIN*	ciprofloxacin, ofloxacin	CIPRO (Oral Suspension), TEQUIN
LOPROX SHAMPOO*	ciclopirox, ketoconazole, selenium	*
LUMIGAN	*	XALATAN
MAXAIR AUTOHALER	albuterol, metaproterenol	FORADIL AEROLIZER, SEREVENT DISKUS, VENTOLIN HFA
NASACORT AQ*	flunisolide	FLONASE, NASONEX
PATANOL*	cromolyn sodium, naphazoline	ZADITOR
PRAVACHOL	lovastatin	CRESTOR, LIPITOR, ZOCOR
PRED MILD*	ak-pred, dexamethasone sodium phosphate, dexasol, fluor-op, fluorometholone, prednisol, prednisolone acetate 1%, prednisolone sodium phosphate 1%	*
PRIMAQUINE PHOSPHATE	chloroquine phosphate, hydroxychloroquine, mefloquine, quinerva, quinine sulfate	*
REQUIP	carbidopa & levodopa, amantadine, pergolide, benzotropine, bromocriptine, selegiline, trihexyphenidyl	MIRAPEX
SPIRIVA HANDIHALER	l'ipratropium bromide	ATROVENT, ATROVENT HFA
SYNTHROID	Levothroid, levothyroxine, Levoxyl, Unithroid	
TRICOR	gemfibrozil	*
TRILEPTAL	carbamazepine, epilol, gabapentin	KEPPRA, LAMICTAL, NEURONTIN, TOPAMAX, ZONEGRAN
VIGAMOX*	ciprofloxacin, ofloxacin,	*
VOLTAREN (ophthalmic)*	flurbiprofen sodium, fluorometholone	ACULAR
VYTORIN	lovastatin	ZOCOR, ZETIA, LIPITOR, CRESTOR
ZYPREXA	clozapine, chlorpromazine, fluphenazine, perhenazine, prochlorperazine, thioridazine, trifluoperazine, haloperidol, loxapine, thiothixene	SEROQUEL, RISPERDAL
<p>* Medications with short duration of treatment</p> <p>For additional information regarding MedicareBlue Rx Formulary, including medication search alternatives or utilization management programs, please go to the Blue Cross Blue Shield website at www.YourMedicareSolutions.com</p>		

What's On the Web?

www.nd.gov/ndpers

There are many items at your fingertips. Forms, announcements, handbooks, newsletters, and more! This will be a feature article in future editions of this newsletter. Each article will focus on a certain aspect of our home page.

In this edition, we will focus on the retirement tools available to you on the NDPERS website. If you are drawing a NDPERS retirement benefit, you have access to your plan handbook, forms, tax tables, and mailing schedules. You may access these items through the menu option labeled **Retiree** located under Member Services on the left side of our home page website.

When you enter the above menu option, the first menu item is titled **Defined Benefit Hybrid Retirement Plan**.

Through this option you have access to the **Plan Handbook Table of Contents** that includes topics such as:

- Confidentiality Law
- Contacting NDPERS
- On-Line Services
- Monthly Benefit Option
- Disability Retirement Benefits
- Post-Retirement Benefit Increases
- Payment of Monthly Benefit
- Monthly Benefit Deductions
- Income Taxes
- Change of Address
- Notification of Death
- Designation of Beneficiary
- Benefit and Return to Work
- Overpayment of Benefits
- Retiree Health Insurance Credits
- Durable Power of Attorney
- Record of Important Documents

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What's On the Web?

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Other Plan Information

- Federal Tax Tables (Pages 50-53)
- QDRO/Divorce
- Benefit Payments Mailing Schedule
- How to Read Your 1099

Forms

- Authorization for Direct Deposit for Annuity Payment (SFN 18379)
- Designation of Beneficiary Form (SFN 2560)
- Form W-4P (Substitute) Tax Withholding Certificate (SFN 51506)
- Authorization for Withholding Federal Income Tax (SFN 17628)
- Authorization for Withholding North Dakota State Income Tax (SFN 17629)
- Notice of Change (SFN 10766)

Summary of Primary Legislative Proposals PERS

System	Sponsor	Description
PERS and Highway Patrol	PERS	Retiree Increase: Retirees would get a single lump sum payment equal to 75% of their monthly retirement benefit in either January of 2008 or January of 2009 if the market rate of return for the previous year's actuary report is 9.16% or greater. This payment would occur in only one year during the biennium if returns are sufficient.
PERS and Highway Patrol	PERS	Retiree Cost of Living Adjustment: Increase employer contribution so retirees would receive an increase in benefits equal to two percent in August of 2009.
PERS, Highway Patrol, Judges & Job Service	PERS	Increase the Retiree Health Credit: Increase the retiree health credit from \$4.50 to \$5.00 for each year of service.

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